been partially met by adding to each chapter a series of suggestive topics and questions with references. They will prove a welcome aid, but cannot meet the main objections.

The illustrations are abundant and excellent, and the supply of maps generous, but a more extensive use of charts would have greatly aided the reader in trying to grasp the statistical data. The bibliography is not in the form to prove most useful.

The author, as is inevitable in a subject covering so broad a field, has had to rely largely on the work of others. The deficiencies in our knowledge of this subject are altogether too great for anyone to pretend to cover it all. Still are there not certain broader phases of the subject, some of the deep underlying and most fundamental factors which have been at work molding our economic history, that might have been less neglected? Further, insufficient emphasis is laid upon causal relations and the vital connection between events. Little attempt is made to point out specifically and establish the relation between the events narrated or the facts described and the big changes in the economic organization of society which were taking place at such a rapid rate during much of our history. In short, the subject is treated too much as a simple string of events and not enough as a very live, vital, and organic development—a development an interpretation and proper understanding of which is so essential for a comprehensive and sound grasp of the chief problems now confronting the country. Possibly some of these points should be charged up against the difficulties arising from trying to combine a school and college text in one book. If so it but emphasizes the objection to such an undertaking.

However, in the undeveloped state in which the study of the economic history of the United States now is one cannot justly be too exacting, and certainly great credit is due to Professor Bogart for having made a distinct advance over anything yet written.

CHESTER W. WRIGHT

Introductory Economics. By A. S. JOHNSON. New York: School of Liberal Arts and Sciences for Non-residents, 1907. Pp. 338.

This book may be described as a popular exposition of the principles of political economy as they are taught by that special group of American economists of which Professors Clark and

Fetter are perhaps the most conspicuous exponents. Assuming that there is a real need for a book of this character—which some of us will consider questionable—the one before us must be accounted to have met that need very successfully. The style is simple and effective; the illustrations happy; the tone moderate and candid. The peculiar doctrines of the school represented are so diluted by qualifications or contradictions that their objectionableness is much diminished; while the treatment is so concrete as to give an air of complete reality to a body of doctrine which is, to say the least, somewhat transcendental.

It hardly need be said that Professor Johnson disregards the traditional divisions of our subject. In fact, the twenty chapters are not formally grouped at all. Still they easily fall into four divisions. The second to the fifth inclusive, together with the thirteenth, treat of the theory of value and price, thus covering the most vital part of "Exchange." The sixth, seventh, and eighth discuss some of the problems of "Production"—particularly the conditions of productive efficiency. From the ninth to the fourteenth chapters, omitting the thirteenth, we have much of the matter usually given under "Distribution." The remaining six chapters present topics which might be thought of as more or less supplementary, "Money," "Banking," "Foreign Exchange," and so on.

In the discussion of normal value contained in his third chapter, Professor Johnson reproduces in general Mill's doctrine, that price tends to equal money cost of production. But later, in treating of "Costs," he weakens the case by representing that, although from the standpoint of the individual enterpriser costs must be looked on as predetermined and so must influence supply and through it price, yet, taking the whole field into account, the prices of produced goods are constantly reacting to determine their cost, that is, to determine the wages of the labor and the interest of the capital devoted to their production. As with the discussion of this same point in several other recent books, it is not entirely clear that the qualifications of the cost doctrine which are introduced leave anything of the original. It is probable, however, that Professor Johnson intends only to tone down the principle rather than to overthrow it; since in later connections he appeals to it as a thing established.

The chapter on "Capital" follows very closely Professor Clark,

and particularly his more recent expositions of his doctrine. This means that the charge frequently made against that writer that he sets up a mere abstraction and treats it as a concrete entity, has been more or less fully met, but at the expense of logical consistency. If capital is a fund of productive wealth, it is not something different from capital goods, but only an aggregate of such goods. The abstraction originally put forward by Clark in 1889 as being the real capital—that is, a fund of pure value embodied in wealth—is doubtless a truly heroic abstraction, perhaps even a mere figure of speech; but at least it is formally distinguishable from the goods in which it is embodied, and so without logical inconsistency can be treated as independent of those goods.

In the discussion of "Rent" the author again follows Clark, or more particularly Fetter, extending the concept rent so as to include the hire of any durable goods, and making rent and interest the same payment looked at from different points of view. Professor Johnson also follows Fetter in teaching that the values of durable goods are determined by capitalizing their net rent. Here, however, as in several other cases, the writer improves upon his teachers in that he sacrifices consistency to the demands of sound doctrine. Thus, when he comes to deal with the case of reproducible goods, he admits that the principle of capitalization breaks down; that cost of production is here the decisive factor.

> A ship, for example, may yield a net rent of $10,000 at a time when the current rate of interest is 5 per cent. It would, however, be a reckless business man who would assume from these data that the ship represents a capital of $200,000, and that he could afford to pay that sum for it. If a similar ship can be built for $100,000, ... the net rent will fall to about $5,000.

In short, in the case of reproducible goods, the net income adjusts itself to the price of the capital good, instead of the price of the capital good adjusting itself to the net income. One cannot help wondering how Professor Johnson fails to conclude that we have here the very best of reasons for reaffirming the validity of the old distinction between land and what he would call other forms of capital.

The last six chapters devoted to "Money," "Banking," "Foreign Trade," "Protection," and similar topics, are excellent, treating these subjects according to the conventional standards and doing so in a very satisfactory manner.

F. M. Taylor

The University of Michigan